

Touchstone Group Plc, Interim Results – 30th September 2009

Turnover	▼ 7% to £13.8m ('08: £14.8m)
Raw Gross Margin ¹	▲ to 57.1% ('08: 56.4%)
Adjusted Gross Margins	▲ to 43.4% ('08: 41.3%)
Operating Profits ²	▲ 93% to £642k ('08: £333k)
Adjusted Basic EPS ²	▲ 4.99p ('08: 2.67p)
Headcount	▼ 22% to 180 ('08:230)
Employee Costs ³	▼ 21% to £5.87m ('08: £7.39m)
London Premises	▼ Annual savings of £180k
Net Cash Balances	▲ £1.19m ('08: £0.95m)
Operating Cash Flow	▲ £634k ('08: £83k)

¹ From Management Accounts (i.e. before cost of sale adjustments for employees involved in fee-based work)

² Before depreciation, amortisation, share-based payments and exceptional items

³ Total Employment costs including commissions and incentives

Touchstone Group Plc, Current Trading YTD 30th December 2009

YTD Turnover	▼ 4% to £20.7m ('08: £21.6m)
YTD Raw Gross Margin ¹	▲ to 58% ('08: 57%)
Headcount	▼ 16% to 182 ('08: 217)
Net Cash Balances	▲ £1.8m ('08: £1.6m)
Issued Shares ²	▼ 2% to 12.6m ('08: 12.87m)
Proposed Dividend	▲ 1.5p ('08: Nil)

¹ From Management Accounts (i.e. before cost of sale adjustments for employees involved in fee-based work)

² Reduction due to a buy-back of 270,000 shares following the recent tender offer

Touchstone Group Plc, Current Trading Comment 28th January 2010

“Markets are still tough but lower overheads and a more focused business unit structure have helped improve overall net margins. As a consequence, year-end trading is expected to be comfortably ahead of last year.

With increasing confidence and improving cash reserves, the Board have decided to declare an interim dividend of 1.5p payable to all shareholders on the register on 5th March 2010. Additionally, a matched bargain facility is expected to be established before the end of March 2010.”